A 2500-Z

Paper Paperboard & Wood Pulp

MONTHLY STATISTICAL SUMMARY - Vol. 63 - No. 10 October, 1985

PAPER AND PAPERBOARD PRODUCTION: CURRENT TRENDS

Although the trend of paper and paperboard production moved upward from its second quarter low in the third quarter of the year, the seasonally adjusted rate did not quite recover to its first quarter 1985 level of 67.7 million tons per year. Weekly data shows production easing after mid-September, then moving along a flat trend some 1 to 2% below the third quarter rate. At this rate the 1985 production total would amount to about 66.6 million tons, 2.8% below the 1984 record high but still 2.5% above the earlier high reached in 1983. There is some indication however (see below) that production may rise a bit above this level, suggesting that the 1985 total may move closer to 67 million tons.

PAPER: The seasonally adjusted rate of total paper production moved in a fairly narrow range during the first three quarters of 1985, with the monthly rates holding to within 2% of the average level. However, as the table on page 3 shows, there were strongly divergent trends within this sector: newsprint and printing and writing papers held close to their respective year-ago rates while packaging and industrial converting papers were down sharply.

The data on new orders and unfilled orders for the major printing paper grades shown on page 3 suggest the possibility of some increase in the rate of production during the fourth quarter. For example, new orders for both uncoated groundwood paper and coated papers moved above their respective shipments levels in September, leading to a reversal in the downward trend of unfilled orders previously shown for these grades. Both these grades have had strong competition from imports, and both show some recent success in meeting this competition.

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Imports of uncoated groundwood papers in the first eight months of 1985 were 3.9% below their comparable year-ago total, with the July-August rate some 10% below the average 1984 rate. The July-August rate of coated paper imports averaged about 430,000 tons per year, about equal to its 1984 average, and 22% below the first half 1985 average.

In terms of actual shipments, however, both the uncoated groundwood papers and coated papers were below their respective 1984 totals in the first three quarters of 1985, with groundwood paper down 7.6% and coated papers down 4.2%. The largest single market for uncoated groundwood papers is periodicals other than magazines, and shipments to that market showed only a modest decline. The major declines were concentrated in the other groundwood paper markets -- magazines, commercial printing and business forms.

Coated paper shipments were down 4.2% in this period. Shipments to one of its major markets -- magazines -- showed a less-than-average decline, but shipments to their other major market -- commercial printing -- declined by more than the 4.2% average.

Shipments of uncoated free sheet papers -- which account for over half of total printing and writing papers -- gained 4.3% from the first three quarters of 1984 in the comparable 1985 period. In addition, imports of these types of paper declined by 34% in the January-August 1985 period from their comparable year-earlier level. These trends can probably be traced to the opening of a large new uncoated free sheet mill late in 1984.

Production of the other converting grades declined by 8% during this period, with unbleached kraft papers down 8.3% and "other" papers down 7.6%. The September 1985 total for unbleached kraft paper shipments, however, showed a strong increase from its January-August 1985 average, moving 4.4% over its September 1984 total. The gains were concentrated in the bag & sack and other converting grades, although for the year-to-date, shipments to all the major markets were well below year-earlier totals

Continued on page 11

PAPER AND PAPERBOARD STATISTICS

PRODUCTION, SHIPMENTS AND ORDERS
(Thousands of Short Tons)

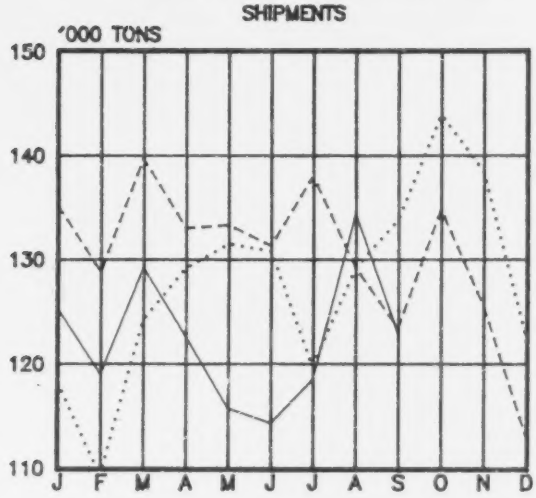
	YEAR 1983	YEAR 1984	JUNE 1985	JULY 1985	AUG. 1985	SEPT. 1985	Annual Rate Y-T-D 1985	% Change From same Period Last Year
PAPER								
Newsprint - Production	5167	5539	449	458	456	447	5471	-1.8
- Shipments	5153	5584	448	445	454	446	5431	-3.4
Printing & Writing sum	17370	18403	1476	1483	1559	1467	18404	-0.1
Groundwood Paper - Shipments	1531	1565	114	119	134	123	1469	-7.6
- New Orders	1581	1575	142	133	134	153	1527	-5.6
-Unfilled Orders	145	140	121	138	131	161	161	4.2
Coated Papers - Shipments	5716	6249	456	470	484	437	5949	-4.2
- New Orders	5864	6281	492	452	448	459	5733	-8.0
- Unfilled Orders	513	575	442	423	387	420	420	-23.3
Unctd Free Sheet - Shipments	8780	9207	788	792	830	793	9645	4.3
- New Orders	9076	8939	771	761	808	781	9617	7.9
- Unfilled Orders	687	430	479	442	424	415	415	-34.2
Thin Papers - Shipments	280	275	25	20	23	22	279	0.0
Cotton Fiber Paper - Shipments	133	147	12	10	12	12	142	-4.0
Bleached Bristols - Production	931	959	80	72	75	80	920	-4.0
Tissue Paper - Production	4789	4921	415	407	413	392	4902	0.8
Total Packaging & Other Paper	5497	5555	417	413	440	468	5240	-8.0
Unbl. Kraft Paper - Shipments	3666	3666	265	280	281	315	3436	-8.3
Other Paper - Production	1832	1889	152	133	159	153	1804	-7.6
TOTAL PAPER-Production-Unadj. *	32823	34417	2758	2762	2869	2774	34016	-1.6
-Production-S.A. *			2818	2916	2790	2819	34025	-1.4
PAPERBOARD - PRODUCTION								
Solid Wood Pulp Furnish	24779	26403	2070	2049	2230	2137	25517	-4.8
Unbl. Kraft Linerboard (1)	15001	16037	1211	1202	1307	1301	15264	-6.2
Production for Export	2281	2086	157	153	164	145	1729	-23.5
Other Unbl. Kraft Paperboard	1121	1149	115	113	106	106	1216	1.5
Semichemical Paperboard	4731	5169	419	412	453	422	5062	-3.2
Production for Export	193	149	15	22	20	16	182	21.6
Solid Bleached Paperboard	3926	4048	325	321	363	309	3975	-3.0
Production for Export	515	478	40	35	31	33	444	-8.6
Recycled Paperboard	7398	7637	668	573	673	634	7668	-1.2
Production for Export	24	17	1	1	1	1	14	-2.8
TOTAL PAPERBOARD-Prod.-Unadj. *	32177	34039	2738	2622	2903	2772	33184	-4.0
- Containerboard Prod.(Dom. Use)	19173	20993	1620	1596	1751	1727	20368	-3.4
- Boxboard Prod.(Dom. Use) (2)	5551	5783	492	428	519	458	5746	-1.5
- All Other P'bd Prod.(D.U.) (2)	4441	4531	412	386	417	392	4703	-0.7
- Total Paperbd Prod. for Export	3012	2731	214	212	216	194	2369	-18.6
TOTAL PAPERBOARD PROD.- S.A. *			2709	2726	2815	2777	32862	-3.6
TOTAL PAPER AND PAPERBOARD								
Production - actual *	65000	68457	5496	5384	5772	5545	67201	-2.8
Production - S.A. *			5527	5642	5605	5596	66887	-2.5

(1)Includes all exports of kraft paperboard.
(2)Data for unbl. kraft folding boxboard incl. in All Other P'bd.
* NOTE: Year 1984 contains one more day than year 1983.

P Preliminary
R Revised
S.A. Seasonally Adjusted

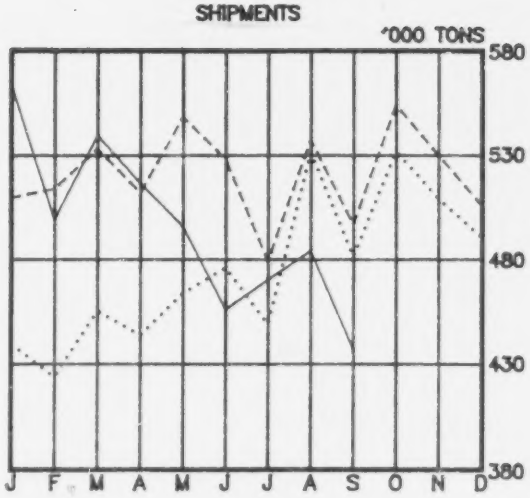
GROUNDWOOD PAPER, UNCOATED

SHIPMENTS



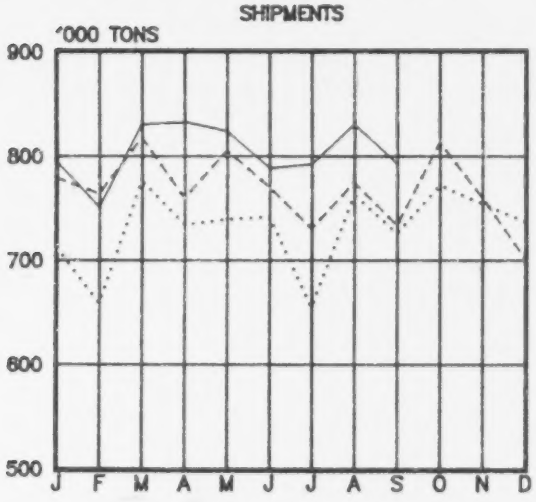
COATED PAPER

SHIPMENTS



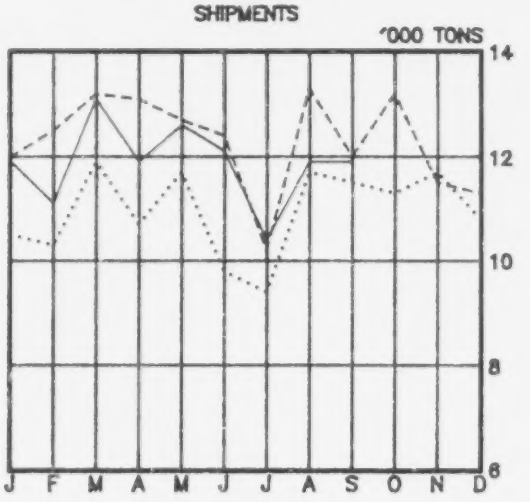
UNCOATED FREE SHEET PAPERS

SHIPMENTS



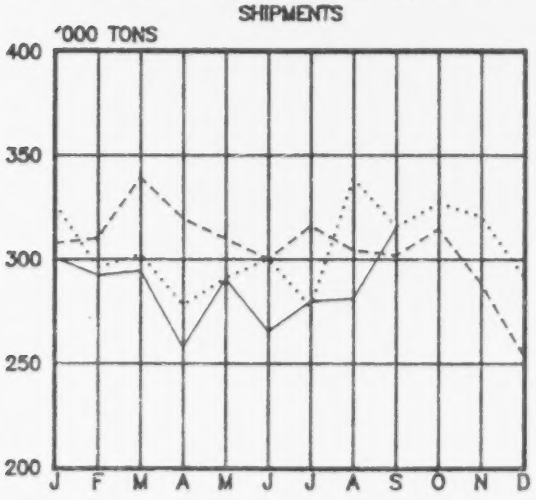
COTTON FIBER PAPER

SHIPMENTS



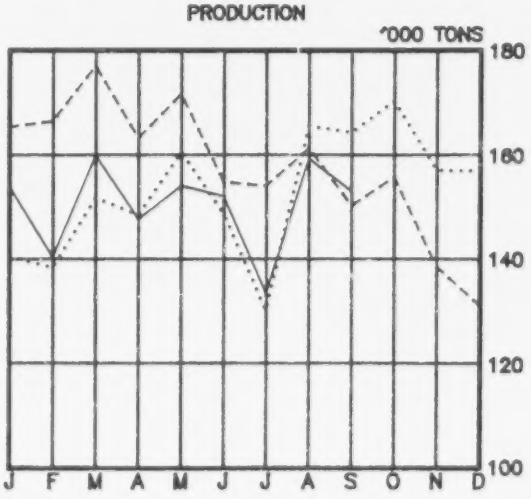
UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER

SHIPMENTS



OTHER PAPER

PRODUCTION



1983 ····· 1984 - - - - -1985 ———

WOOD PULP STATISTICS
(Thousands of Tons)

	YEAR 1983	YEAR 1984	MAY 1985	JUNE 1985	JULY 1985	AUG 1985	Annual Rate Y-T-D 1985	% Change from same Period Last Year
TOTAL WOOD PULP					R	P		
Total Wood Pulp - Production	52537	55548	4522	4456	4492	4518	54287	-3.1
- Imports	4093	4490	380	384	392	387	4546	1.5
- Exports	3644	3594	309	372	334	303	3851	5.2
- New Supply	52986	56445	4594	4467	4550	4602	54982	-3.2
Dissolving Pulp - Production	1261	1206	112	97	87	77	1199	-5.2
- Imports	192	161	13	10	18	11	162	6.2
- Exports	647	595	46	80	52	35	680	11.9
- New Supply	806	772	79	27	53	53	681	-15.9
Paper Grades - Production	42358	44732	3618	3584	3626	3666	43674	-3.1
Chemical Pulp - Imports	3706	4023	339	364	343	364	4174	5.0
- Exports	2956	2945	262	291	282	266	3147	5.1
- New Supply	43106	45810	3695	3657	3688	3764	44702	-3.0
Groundwood and - Production	5067	5509	441	428	447	427	5332	-4.3
Thermo-Mech. - Imports	195	306	27	10	31	12	210	-21.5
- Exports	40	54	1	1	1	2	25	-56.9
- New Supply	5222	5762	467	437	477	437	5517	-4.6
Semi-Chemical - Production	3851	4100	352	346	332	348	4082	-1.0
- Imports								
- Exports			- - - - -	Included in Groundwood Pulp			- - - - -	
- New Supply	3851	4100	352	346	332	348	4082	-1.0
MARKET WOOD PULP								
Total Market - Production	6478	6891	542	568	590	541	6871	-0.1
Wood Pulp - Imports	2945	2968	270	228	246	267	2844	-3.1
- Exports	3421	3511	352	375	274	312	3799	6.5
- New Supply	6002	6347	460	421	563	496	5916	-5.3
Dissolving Pulp - Production	1260	1197	112	97	87	77	1198	-4.2
- Imports	210	204	16	11	19	9	172	-12.5
- Exports	698	690	70	78	31	49	678	-2.1
- New Supply	772	710	58	30	75	36	692	-8.3
Paper Grades - Production	5206	5680	429	470	502	463	5660	0.8
Chemical Pulp - Imports	2698	2664	235	213	218	254	2600	-2.7
- Exports	2723	2821	281	297	242	263	3119	8.5
- New Supply	5181	5524	383	386	478	455	5140	-5.0
Groundwood Pulp - Production	12	13	0	1	1	1	13	-2.3
and All Other - Imports	38	100	20	4	9	4	72	6.9
- Exports	0	0	1	0	0	0	1	0.0
- New Supply	49	113	20	5	10	5	83	4.2

SOURCES: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, API. Total Wood Pulp Imports & Exports - Department of Commerce.

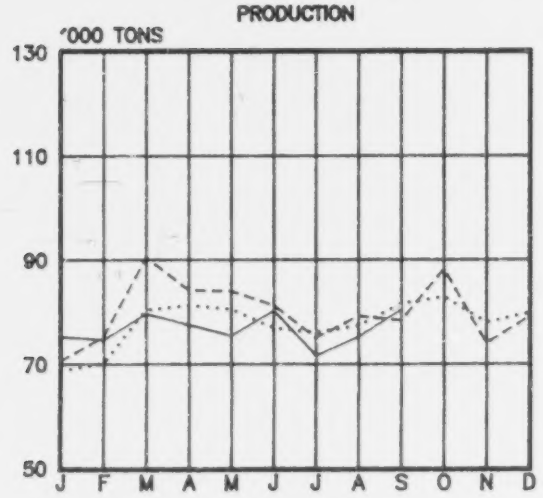
FIBROUS RAW MATERIALS
(Thousands of tons)

CONSUMPTION AT PAPER & PAPERBOARD MILLS					R	P		
Total	66130	70679	5704	5634	5639	5794	68632	-3.3
Total Wood Pulp	51434	54664	4481	4369	4426	4500	53433	-3.0
Waste Paper	14696	16015	1223	1264	1212	1294	15199	-4.4
INVENTORIES								
Own Use Wood Pulp at Pulp Mills	170	174	175	192	186	180	180	9.8
Mkt Pulp at Pulp Mills (Paper Grades)	384	585	560	529	563	541	541	27.8
Mkt Pulp at Ppr. & Bd. Mills *	550	484	444	442	414	410	410	-23.5
Waste Paper at Paper &Bd. Mills	920	1025	970	985	1011	958	958	0.3
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp	26	50	34	32	35	35	35	20.7

SOURCES: Wood Pulp Data, Pulp Division, Pulp, Materials and Technology Group, API. Waste Paper Data, Paper Recycling Committee, API.
P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons

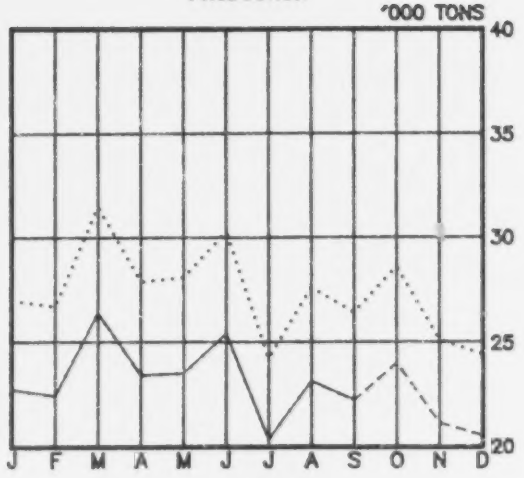
BLEACHED BRISTOLS

PRODUCTION



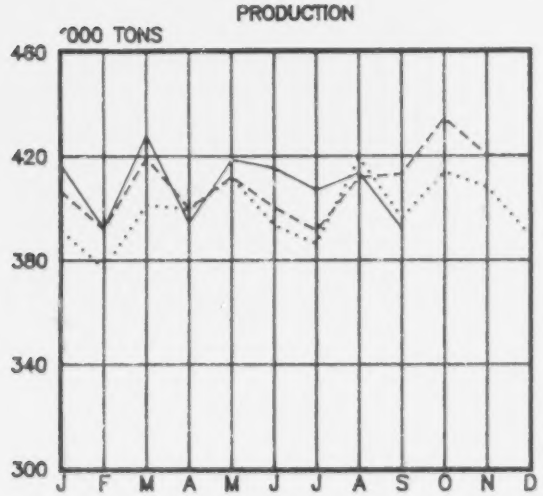
THIN PAPER

PRODUCTION



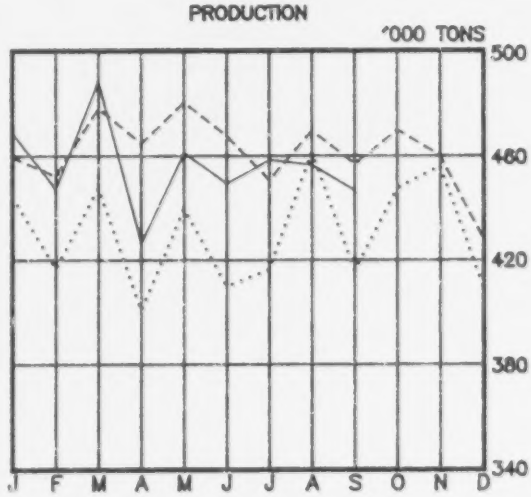
TISSUE PAPER

PRODUCTION



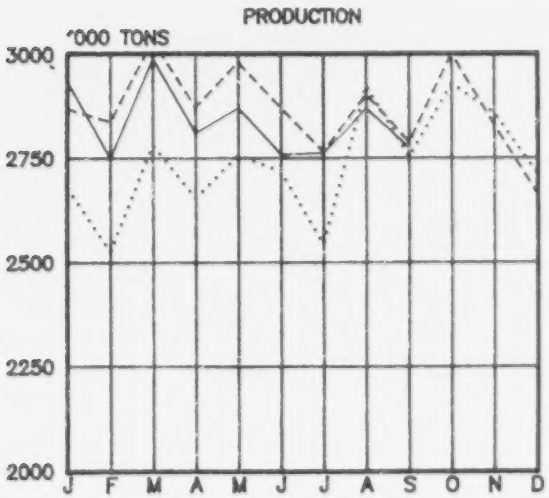
NEWSPRINT

PRODUCTION



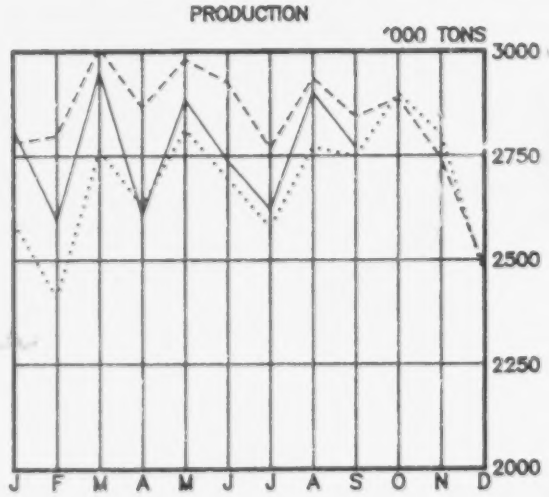
TOTAL PAPER

PRODUCTION



TOTAL PAPERBOARD

PRODUCTION



1983 ····· 1984 - - - - -1985 ———

F I B R O U S R A W M A T E R I A L S

(Thousands of Standard (128 cubic foot) Cords)

		YEAR 1983	YEAR 1984	MAY 1985	JUNE 1985	JULY 1985	AUG. 1985	Annual Rate Y-T-D 1985	% Change from same Period Last Year
PULPWOOD									
Total U.S.	- Total Receipts	84475	88875	6958	6918	7003	6965	85328	-4.2
	- Total Consumpt	85442	87646	7072	6943	7022	6925	85733	-2.7
	- Residues *	32755	32072	2592	2520	2413	2566	30354	-6.8
	- Inventories	5229	5574	4952	4925	4881	4970	4970	3.0
So. Atlantic	- Total Receipts	25736	27654	2178	2189	2215	2192	27113	1.3
	- Total Consumpt	25847	27344	2203	2252	2225	2198	27396	2.6
	- Residues *	7904	8198	624	629	581	636	7685	-5.6
	- Inventories	1163	1444	1195	1109	1086	1059	1059	1.3
Northeast	- Total Receipts	7051	7665	561	563	621	574	7374	-1.8
	- Total Consumpt	7274	7474	600	589	624	550	7557	.0
	- Residues *	1199	1501	142	141	110	110	1550	7.7
	- Inventories	577	590	442	442	409	425	425	-11.6
South Central	- Total Receipts	29409	30693	2504	2461	2404	2425	29921	-3.8
	- Total Consumpt	29152	30502	2505	2514	2468	2458	30134	-2.2
	- Residues *	9218	9059	790	779	711	768	9252	1.5
	- Inventories	1536	1304	1200	1143	1148	1121	1121	-7.7
North Central	- Total Receipts	6265	6872	503	554	530	557	6474	-8.9
	- Total Consumpt	6343	6563	551	518	502	522	6329	-6.5
	- Residues *	1822	1472	112	109	97	109	1325	-14.3
	- Inventories	851	906	833	854	871	903	903	5.6
West	- Total Receipts	16014	15992	1212	1151	1233	1217	14447	-12.3
	- Total Consumpt	16826	15763	1213	1070	1203	1197	14318	-12.1
	- Residues *	12612	11842	924	862	914	943	10544	-14.4
	- Inventories	1102	1330	1282	1377	1367	1462	1462	19.0

* - Consumption of Residues in Cord Equivalents. SOURCE: American Pulpwood Association 25-Oct-85

U N I T E D S T A T E S T R A D E W I T H C A N A D A

IMPORTS FROM CANADA

	YEAR 1984 Tons	YEAR 1984 $000's	JULY 1985 Tons	JULY 1985 $000's	AUG. 1985 Tons	AUG. 1985 $000's	Annual Rate Y-T-D 1985	% Change from same Period Last Year
Pulpwood, Roundwood (in cords of 128 cubic feet)	207520	10591	293	149	900	546	29213	-84.0
Pulpwood chips	2061270	45353	70826	2235	43541	1256	827495	-63.8
Wood Pulp, Total	4059913	1678908	343464	113058	332550	111015	4086059	1.2
Waste Fibrous Materials, Total	151957	25187	11322	2187	11753	2332	155897	-1.5
Paper, Board & Products, Total	9401285	4048656	774998	341030	777952	347601	9665749	3.5
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	9330954	3927255	767014	329863	771170	337418	9584281	3.3
Paper, Paperboard & Products	8948073	3946084	742581	332946	747518	339278	9268002	4.2
Paper & Paperboard, Only	8877742	3824684	734597	321578	740736	329096	9186534	4.0
Paper, Total	8662094	3762205	723171	318533	728858	325896	9035878	4.9
Newsprint	7681341	3224596	636751	273073	639466	279823	8066969	4.9
Printing, Writing & Rel. Pap.	852879	457438	72081	37566	75452	38342	803613	0.4
Pack. & Ind. Conv. Paper	101131	59408	9907	5896	10349	5350	113682	13.9
Special Industrial Paper	3232	5437	213	354	213	357	3074	-7.0
Tissue Paper	23512	15326	4220	2455	3378	2025	48541	203.9
Paperboard, Total	215648	62479	11425	3045	11878	3200	150656	-32.4
Convtd Paper&Paperbd Products	70331	121401	7984	11168	6782	10182	81468	23.2
Wet Machine Board	2098	1426	184	123	189	126	2141	-5.3
Construction Paper & Board	451113	101146	32234	8162	30245	8197	395607	-10.5

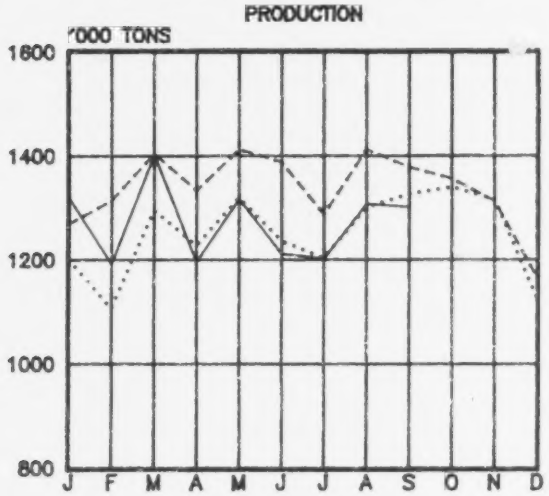
EXPORTS TO CANADA

	YEAR 1984 Tons	YEAR 1984 $000's	JULY 1985 Tons	JULY 1985 $000's	AUG. 1985 Tons	AUG. 1985 $000's	Annual Rate Y-T-D 1985	% Change from same Period Last Year
Pulpwood, Roundwood (in cords of 128 cubic feet)	95117	5698	3027	179	5807	269	43053	-45.5
Pulpwood chips	28445	1544	6282	419	8772	523	89531	168.3
Wood Pulp, Total	180850	82653	18217	7331	22150	8397	209504	24.2
Cotton Pulp & Other Pulp	10474	6605	631	407	1697	628	11468	3.4
Waste Paper	325712	37937	17120	1901	17683	1748	226536	-33.2
Paper, Board & Products, Total	756499	524570	48827	32358	59849	40477	727058	-6.8
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	569696	358082	33744	20757	46421	26289	560765	-1.9
Paper, Paperboard & Products	726888	511454	46975	31560	58127	39630	703049	-6.0
Paper & Paperboard, Only	540085	344966	31892	19958	44699	25442	536756	-0.5
Paper, Total	296791	245610	16424	13413	23805	18127	287294	-7.1
Newsprint	4493	3678	198	194	603	375	3603	-29.6
Printing, Writing & Rel. Pap.	137839	125802	7946	6788	9581	8510	143198	3.0
Pack. & Ind. Conv. Paper	46661	26918	2540	1202	3160	2106	45308	-3.4
Special Industrial Paper	104039	85328	5590	5023	10164	6813	92341	-19.9
Tissue Paper	3758	3883	151	206	298	323	2844	-3.9
Paperboard, Total	243294	99357	15468	6545	20894	7315	249462	8.3
Convtd Paper&Paperbd Products	186803	166488	15087	11801	13428	14188	168203	-30.1
Wet Machine Board	5312	3707	358	285	446	351	5383	-0.3
Construction Paper & Board	24299	9409	1493	513	1276	496	18626	-30.1

SOURCE: Bureau of Census, Department of Commerce .f E - Estimate of tonnage based on square foot data 15-Oct-85

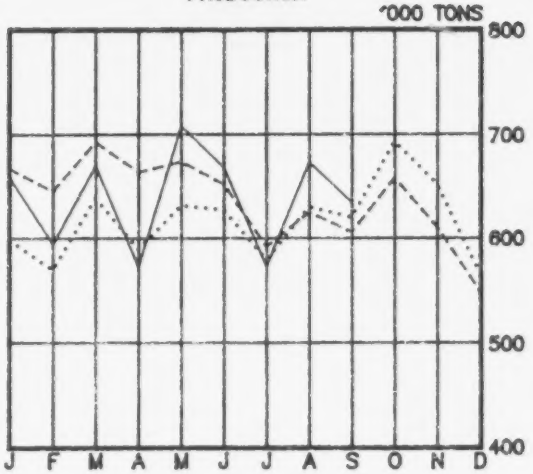
UNBLEACHED KRAFT LINERBOARD

PRODUCTION



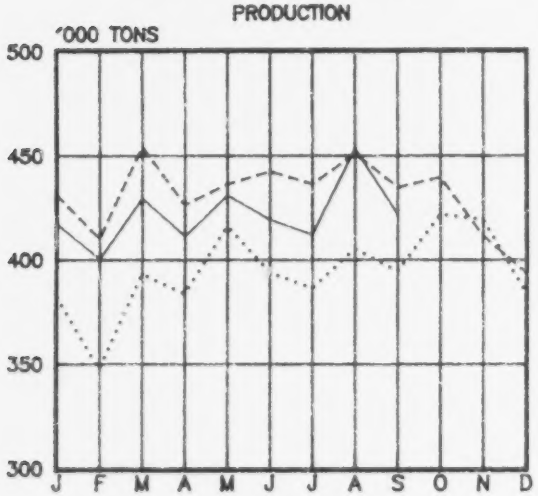
RECYCLED PAPERBOARD

PRODUCTION



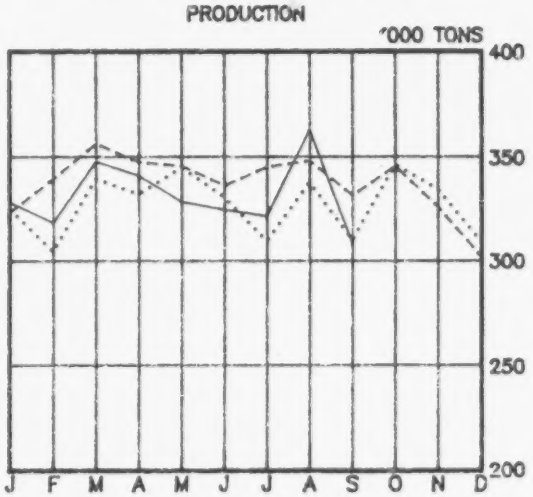
SEMICHEMICAL PAPERBOARD

PRODUCTION



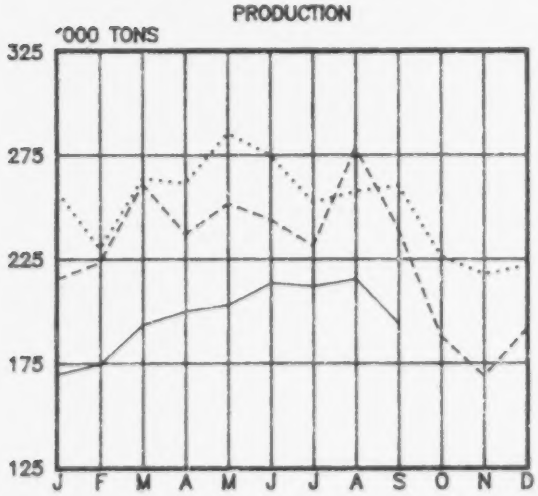
SOLID BLEACHED PAPERBOARD

PRODUCTION



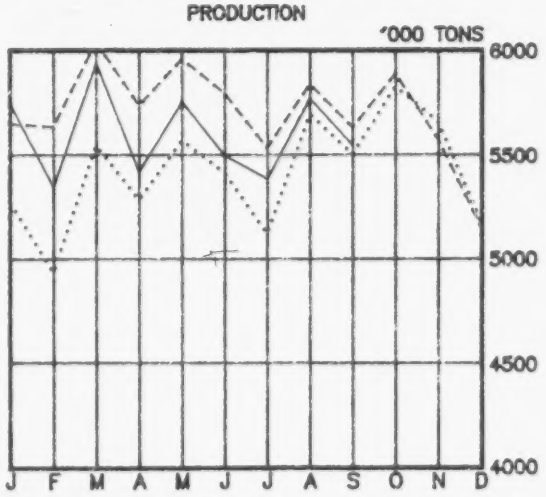
PAPERBOARD FOR EXPORT

PRODUCTION



TOTAL PAPER AND PAPERBOARD

PRODUCTION



1983 ····· 1984 - - - - -1985 ———

I M P O R T S

	YEAR 1984 Tons	$000	JULY Tons	$000	AUG. Tons	$000	(1) Annual Rate Y-T-D 1985	% Change from same Period Last Year
Pulpwood Roundwood (cords)	207733	10615	293	149	900	546	44417	-75.7
Pulpwood Chips	2062545	45396	70891	2242	43581	1259	828716	-63.8
Total All Imports	15739471	7204351	1324211	587553	1315235	586397	16187401	3.3
Wood Pulp Total	4490081	1844768	391852	126377	387297	127666	4546335	3.5
Waste Paper	109712	11692	5552	648	10240	867	85593	-21.9
Other Fibrous Materials	64367	24097	7406	2337	7259	2492	97003	34.5
Paper Board & Products Total	11075312	5323794	919401	458192	910439	455372	11458471	3.3
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	10854312	4781475	895473	403574	888570	406662	11198207	3.0
Paper Ppbd & Prds ex Cnst&WMB	10575656	5207697	879527	447305	872908	444672	10998719	3.8
Paper & Paperboard Only	10354656	4665378	855599	392686	851040	395962	10738455	3.4
Paper Total	10112041	4591486	841449	388451	837480	391809	10561486	4.3
Newsprint	7893877	3299570	668377	285769	671848	292536	8419389	6.4
Printing & Writing	2042368	1168989	153240	89217	148186	87992	1923534	-5.7
Uncoated Groundwood	1090049	548791	83169	42302	82412	42646	1032116	-3.9
Coated Print.& Impreg. Pap.	428274	295844	36881	27149	35276	27862	525518	32.4
Uncoated Free Sheet	476950	284057	31092	17918	28869	15611	340073	-34.0
Uncoated Book	254926	156296	17269	8423	15422	8151	184706	-27.3
Writing and Similar Paper	222024	127761	13823	9495	13447	7460	155367	-40.5
Thin (except Cigarette)	46427	39513	1924	1738	1503	1745	24633	-53.9
Bristols	667	784	174	109	127	128	1193	78.8
Total Pkg & Other Paper	145484	102565	14139	10097	13760	9001	162448	7.1
Unbleached Kraft Paper	42854	19568	5142	1902	6378	2311	51621	10.9
Other Pkg. & Indust. Paper	102629	82997	8997	8196	7382	6689	110827	5.4
Tissue	30312	20362	5694	3368	3686	2280	56115	154.0
Paperboard, Total	242615	73892	14150	4236	13560	4153	176969	-30.6
Test or Containerboard	70028	22218	2870	904	4197	1383	50496	-31.5
Semi-Chemical Corrugating	103968	26098	5024	1012	4956	936	62553	-42.0
Other Paperboard	68620	25576	6256	2319	4407	1834	63920	-13.2
Convtd Paper&Paperbd Products	221000	542319	23928	54618	21869	48710	260264	21.8
Paper Products, Total	186199	474151	22061	50336	20308	45516	236629	31.4
Paperboard Products, Total	34800	68168	1867	4283	1561	3194	23634	-29.5
Wet machine Board	2826	2017	263	298	311	232	3291	6.1
Construction Paper & Board	496830	114080	39612	10590	37220	10468	456461	-6.4
Notes								
Other: No Weight Avail. ($000)		195737		20580		16716	213287	9.8
Total Imports Incl. Other($000)		7400088		608133		603114	7495099	3.1

E X P O R T S

							(1)	
Pulpwood, Roundwood (cords)	95441	5714	3027	179	5807	269	43616	-45.1
Pulpwood Chips	2325213	164058	183915	13767	216272	15218	2313048	-2.5
Total All Exports	11300450	4524778	916910	320272	981096	342510	11362564	-0.3
Wood Pulp,Total	3593585	1501948	334007	113828	303132	106595	3851484	5.2
Cotton Pulp and Other Pulp	84883	63545	9521	7843	14092	10339	104541	16.5
Waste and Old Paper	3235441	408128	257459	25445	303150	33008	3341241	7.2
Paper, Board & Products,Total	4386541	2551157	315923	173156	360722	192568	4065298	-10.2
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	3818804	1789129	277424	121364	317092	132389	3550282	-9.7
Paper, Ppbd & Prod ex Cnst&WMB	4308873	2507184	311007	170251	356358	190011	4000826	-10.0
Paper & Paperboard, Only	3741136	1745156	272508	118459	312727	129832	3485810	-9.4
Paper, Total	810547	632490	53198	40297	68292	50083	794482	-3.1
Newsprint	306198	133964	22092	9213	25158	10235	314157	3.7
Printing & Writing	203156	219922	11367	12558	17822	17729	205344	-0.2
Uncoated Groundwood	30405	28875	1625	1524	4924	3300	39044	37.2
Clay Coated Paper	85714	71365	3755	3201	6644	5495	76600	-15.0
Uncoated Free Sheet	65410	87255	4251	5631	4950	6121	68981	6.0
Other Printing & Writing	21627	32427	1736	2202	1304	2814	20720	-6.2
Total Pkg. & Other Paper	284185	259323	19014	17371	23891	20683	254955	-13.2
Unbleached Kraft	106712	44382	6868	3081	6700	2702	74255	-33.1
Other Pkg. & Indust. Paper	177473	214941	12146	14291	17191	17980	180700	-1.2
Tissue	17009	19281	726	1154	1421	1436	20026	12.9
Paperboard, Total	2930588	1112666	219310	78162	244436	79749	2691328	-11.1
Solid Wood Pulp	2761732	1040239	207066	73031	227008	73179	2480244	-13.8
Total Linerboard	2058034	628531	144738	38512	171903	43253	1769579	-17.6
Bleached Kraft Linerboard	141367	57788	11212	3929	7305	2809	115450	-9.7
Unbleached Kraft Linerbd	1916667	570743	133527	34583	164598	40445	1654129	-18.1
Other Unbleached Kraft	110878	51270	14100	4121	10986	4676	117887	-5.4
Other Bleached Kraft	543209	348218	45896	29849	39576	24038	538783	-4.8
Semi-Chemical Corrugating	49612	12220	2331	549	4543	1203	53995	38.9
Recycled Paperboard	168856	72427	12245	5131	17428	6579	211084	40.1
Convtd Paper&Paperbd Products	567737	762028	38499	51792	43630	60179	515016	-13.6
Paper Products, Total	286403	516149	22504	36242	19581	41109	252812	-18.3
Paperboard Products, Total	281334	245879	15995	15551	24050	19070	262204	-8.5
Wet Machine Board	13782	7335	582	369	711	494	12370	-12.9
Construction Paper & Board E	63887	36638	4334	2536	3654	2064	52102	-24.6
Notes								
Other: No Weight Avail. ($000)		8843		522		634	6716	-26.4
Total Exports Incl. Other($000)		4533621		320793		343144	4156973	-9.4

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Incl. estim. of tonnage based on square foot data.
(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES
1967 = 100

	1983	1984	JUNE	JULY	AUG.	SEPT.	Annual Rate Y-T-D 1985	% Change from same Period Last Year
Pulp, Paper and Products except Building Grades	271.4	292.9	292.9	291.9	289.8	289.2	293.6	0.9
Pulp Paper & Products, ex. Building Grades & ex Waste Paper *	273.3	293.8	295.5	294.5	292.3	291.9	295.9	1.4
Total Wood Pulp	347.1	395.0	346.1	345.5	338.4	337.0	351.5	-10.9
Total Paper	282.3	303.2	304.7	304.0	303.7	303.3	304.4	0.9
Total Paper, exc. Newsprint	277.0	301.2	300.1	300.2	300.1	299.1	299.8	-0.2
Newsprint	303.0	324.1	333.7	333.0	334.9	333.9	333.6	4.4
Total Paperboard	250.8	280.6	276.1	273.2	266.3	266.6	279.0	0.9
Total Paper and Paperboard *	272.4	296.1	295.8	294.3	292.0	291.8	296.4	0.9
Converted Products	265.4	280.7	289.0	288.3	286.7	286.2	288.8	3.7
Waste Paper	158.6	240.1	141.6	141.6	141.4	129.5	156.2	-36.6
All Commodities	303.1	310.4	309.5	309.0	307.2	305.8	308.7	-0.6
Industrial Commodities	315.7	322.6	325.2	324.3	323.6	322.5	323.7	0.4

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by API 30-Oct-85

Paper and Allied Products Companies

Sales and Earnings

	Sales			Net Profit After Taxes			Earnings/Sales	
	1985	1984	Change 85/84	1985	1984	Change 85/84	1985	1984
	(Million Dollars)		%	(Million Dollars)		%	%	%
25 Paper and Allied Products Companies								
First Quarter	9,385	9,210	1.9	375.8	396.5	-5.2	4.0	4.3
Second Quarter	9,731	9,919	-1.9	416.9	557.7	-25.2	4.3	5.6
Third Quarter	9,515	9,658	-1.5	225.5	537.9	-58.1	2.4	5.6
First Three Qtrs.	28,631	28,787	-0.5	1,018.2	1,492.1	-31.8	3.6	5.2
3 Forest Products Companies								
First Quarter	2,939	2,846	3.3	89.4	89.8	-0.4	3.0	3.2
Second Quarter	3,279	3,220	1.8	128.5	190.5	-32.5	3.9	5.9
Third Quarter	3,126	3,234	-3.3	68.6	140.7	-51.2	2.2	4.4
First Three Qtrs.	9,344	9,300	0.5	286.5	421.0	-31.9	3.1	4.5
4 Paper Related Companies								
First Quarter	19,276	18,861	2.2	499.1	622.2	-19.8	2.6	3.3
Second Quarter	18,451	18,806	-1.9	556.2	578.0	-3.8	3.0	3.1
Third Quarter	18,695	19,167	-2.5	42.3	498.1	-91.5	0.2	2.6
First Three Qtrs.	56,422	56,834	-0.7	1,097.6	1,698.3	-35.4	1.9	3.0
2 Canadian Companies								
	(Canadian Dollars)			(Canadian Dollars)				
First Quarter	993	866	14.7	43.0	22.4	92.0	4.3	2.6
Second Quarter	1,107	1,026	7.9	45.5	48.6	-6.4	4.1	4.7
Third Quarter	1,071	936	14.4	47.8	36.2	32.0	4.5	3.9
First Three Qtrs.	3,171	2,828	12.1	136.3	107.2	27.1	4.3	3.8

Continued from page 2

PAPERBOARD: Total paperboard production in the first nine months of 1985 was 4.0% below its comparable year-ago level. Much of the decline can be traced to the production-for-export total; at 2.4 million tons per year the January-September rate was 18.6% below its comparable 1984 level (see page 3).

Inventories of containerboard at paperboard mills and box plants, which had been a major concern during the past twelve months, now appear to be moving back to levels consistent with current requirements. As of October 1, 1984 inventories of containerboard at mills and boxplants were equivalent to 6.9 weeks of supply. By Jan. 1, 1985 they had climbed to 8.4 weeks of supply, and held near that level throughout the first quarter. In tonnage terms, the 3.0 million tons total reached at the end of the first quarter -- equivalent to 8.1 weeks of supply -- was the peak. For the next few months production of containerboard was reduced by shutdowns. The latest inventory figure, for October 1, 1985, show the total down by about 500,000 tons from the April 1 peak, equivalent to 6.2 weeks of supply (See Industry Data Sheet).

Total production of containerboard for domestic use in the first nine months of 1985 was 3.4% below the comparable 1984 level. In that same period, shipments of fibre boxes were down by only 1.8%. Equally important, the seasonally adjusted rate of shipments in each of the past four months -- June through September -- was close to the 265 billion sq. ft. per year, which compares well with the 267.5 billion sq. ft. shipped in all of 1984.

Boxboard production is much less affected by exports, and the nine-month 1985 total was down only 1.7%. Production of packaging boxboard for domestic use was off by 1.5%. Among the major grades, solid bleached folding boxboard was off 4.4%, while recycled folding boxboard was up by 0.9% and milk carton and food service board was almost equal to its year-ago total.

Continued on page 12

Continued from page 11

SALES AND EARNINGS

Data on sales for 25 paper and allied products as reported in the press show their third quarter 1985 total at 1.5% below the comparable 1984 figure and their nine-month total down by 0.5%. These figures are comparable to the production and value data shown on the Industry Data Sheet that accompanies this report.

After-tax profits data for these same companies, however, were 58.1% below the comparable year-ago period in the third quarter of 1985 and down by 31.8% for the first three quarters of 1985 as whole. The margin on sales for these companies in the third quarter was thus down to 2.4%, compared to the more typical 5.6% reached in the third quarter of 1984. For the entire nine-month period, the 1985 sales margin averaged 3.6%, compared to 5.2% in the year-earlier period.

The table on page 10 shows the total sales and earnings for these 25 companies for the first three quarters of 1984 and 1985, together with data for 3 forest product companies, 4 other companies with major pulp and paper facilities and 2 Canadian pulp and paper companies.

INDUSTRY FACT SHEET

AMERICAN PAPER INSTITUTE, INC.
260 Madison Avenue
New York, New York 10016

October 31, 1985

	PRODUCTION (000 TONS)					
	Sept. 85	Aug. 85	Sept. 84	Jan. - Sept. 85	Jan. - Sept. 84	% Change 85/84
PAPER GRADES	P	R				
Newsprint	447	456	457	4103	4180	-1.8
Printing & Writing	1467	1559	1466	13803	13822	-0.1
Uncoated Groundwood (s)	123	134	123	1102	1192	-7.6
Coated Paper (s)	437	484	497	4462	4659	-4.2
Uncoated Free Sheet Paper (s)	793	830	733	7234	6933	4.3
Thin Paper (s)	22	23	22	209	209	0.0
Cotton Fiber Paper (s)	12	12	12	107	111	-4.0
Bleached Bristols (s)	80	75	78	690	718	-4.0
Tissue Paper	392	413	413	3677	3646	0.8
Total Pkg & Other Paper	468	440	452	3930	4273	-8.0
Unbleached Kraft Packaging & Indl. Converting (s)	315	281	302	2577	2809	-8.3
Other Paper *	153	159	150	1353	1464	-7.6
TOTAL PAPER	2774	2869	2788	25512	25920	-1.6
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1407	1413	1472	12360	13100	-5.6
Unbleached Kraft Linerboard	1301	1307	1378	11448	12201	-6.2
Other Unbl. Kraft Paperboard	106	106	94	912	899	1.5
Semichemical Paperboard	422	453	435	3796	3924	-3.2
Bleached Paperboard	309	363	332	2981	3074	-3.0
Recycled Paperboard	634	673	606	5751	5819	-1.2
TOTAL PAPERBOARD	2772	2903	2844	24888	25917	-4.0
TOTAL PAPER AND PAPERBOARD	5545	5772	5632	50401	51837	-2.8

WOOD PULP (ALL GRADES)	Aug. 85	July 85	Aug 84	Jan. - Aug. 85	Jan. - Aug. 84	% Change 85/84
Dissolving & Special Alpha	77	87	109	799	843	-5.2
Bleached Sulfite	113	109	116	919	924	-0.6
Unbleached Sulfite	16	15	21	142	187	-23.7
Bleached & Semi-Bl. Sulfate	1881	1906	1953	15055	14884	1.1
Unbleached Sulfate	1655	1595	1836	13000	14060	-7.5
Semichemical	348	332	339	2721	2749	-1.0
Groundwood & Thermomechanical	427	447	470	3555	3715	-4.3
TOTAL PULP DIVISION DATA	4518	4492	4843	36192	37363	-3.1

(s) - Shipments R - Revised
P - Preliminary

October 31, 1985

	Full Year		INDUSTRY DATA 1985			Ann. Rate Year - To - Date	% From Same Pd. Last Year
			R	R	P		
PAPER AND PAPERBOARD -- Tons (000)	1983	1984	July	Aug	Sept	1985	
Total Production (API).....: excluding :...	65000	68457	5384	5772	5545	67201	-2.8
Total Seasonally Adjusted....:construction:...			5642	5605	5596	66887	-2.5
Imports (including Products).: and wet :..E	8509	10576	880	873	870	10937	2.7
Exports (including Products).: machine :..E	4501	4309	311	356	340	4010	-10.4
Apparent Consumption.....: grades :...	69008 a	74724 b	6210	6122	6126	73814 c	-1.3
Paper Production % Tonnage Capacity.....	92.0 g	93.4 g	84.8	88.0	88.2	90.3 gh	-
Paperboard Production % Tonnage Capacity.....	90.8 g	94.8 g	83.2	92.1	91.5	91.1 g	-
			June	July	Aug		
IMPORTS.....:Including Construction and :...	8985	11075	934	919	910	11458	3.3
EXPORTS.....: WMB Grades (excl. HPB) :...	4568	4387	374	316	361	4065	-10.2
MARKET WOOD PULP PRODUCTION - Tons (000).....	6478	6891	568	590	541	6872	-0.1
TOTAL WOOD PULP PRODUCTION - Tons (000).....	52537	55548	4456	4492	4518	54284	-3..
WOOD PULP IMPORTS - TONS (000).....	4093	4490	384	392	387	4546	3.5
WOOD PULP EXPORTS - TONS (000).....	3644	3594	372	334	303	3852	5.2
RAW MATERIALS CONSUMPTION - Tons (000)							
..PAPER AND BOARD MILLS - excluding :			June	July	Aug		
Wood Pulp.....:consumption for:.....	51434	54664	4369	4426	4500	53432	-3.0
Waste Paper.....:construction & :.....	14696	16015	1264	1212	1294	15197	-4.4
TOTAL.....: WMB grades :.....	66130	70679	5633	5638	5794	68629	-3.3
PULPWOOD CONSUMPTION Cords(000)Amer.Pulpwd. Assn	83608	87646	6943	7022	6925	85733	-2.7
EMPLOYMENT (000)			July	Aug	Sept		
Paper and Allied Products.....Total.....	661.6	682.3	685.6	686.9	684.2	682.4	0.1
Pulp, Paper and Board Mills.....Total.....E	258.2	263.9	257.5	257.6	254.2	258.6	-2.0
AVERAGE HOURLY EARNINGS OF PRODUCTION WORKERS ($)							
Paper and Allied Products.....	9.94	10.44	10.91	10.86	10.89	10.77	3.8
Pulp, Paper Mills.....E	11.70	12.45	13.27	13.25	13.31	13.02	5.5
Paperboard Mills.....E	12.11	12.99	13.75	13.62	13.67	13.48	4.7
CAPITAL EXPENDITURES, PAPER & ALLIED PRODUCTS			1985 Q1	1985 Q2	1985 Q3		
(Rept. by US Dept. of Com., Ann. Rates, Bill.$)*	5.92	7.21	7.76	8.10	8.22	8.21y	13.9
INDEX OF OUTPUT PER MAN-HOUR (1977=100).....			July	Aug	Sept		
:IN PULP, PAPER :...Production Workers.....	118.0	119.9	116.2	124.5	119.1	120.4	-0.3
:AND BOARD MILLS:...All Employees.....	115.8	118.2	115.0	123.4	118.6	119.0	-0.2
PAPER AND ALLIED PRODUCTS (Million $)			June	July	Aug		
Industry Shipments (Dept. of Commerce)*.....	85662	95990	8131	8135	8090	97308	2.1
Pulp, Paper and Paperboard*.....	36346	41539	3369	3464	3521	41774	0.9
Inventories (End of Period) - Total Industry*..	8729	9701	9678	9533	9650	9650	0.5
Pulp, Paper and Paperboard*.....	3263	3662	3774	3760	3695	3695	4.1
			1984 Q4	1985 Q1	1985 Q2		
Sales (Corporations Only).....	65008	71891	17642	17797	18262	72118	-0.3
Earnings (Corporations Only).....	2327	3015	493	718	874	3184	1.3
Depreciation (Corporations Only).....	2607	2798	700	765	761	3052	9.6
Net Worth (Corporations Only).....	27219	28160	28160	29241	29797	29797	5.9
PRICE INDEXES (Bureau of Labor Stats)1967=100			July	Aug	Sept		
Pulp, Paper & Products, ex. Building Grades....	271.4	292.9	291.9	289.8	289.2	293.6	0.9
Wood Pulp.....	347.1	395.0	345.5	338.4	337.0	351.5	-10.9
Waste Paper.....	N.A.	240.1	141.6	141.4	129.5	156.2	-36.6
Paper.....	282.3	303.2	304.0	303.7	303.3	304.4	0.9
Paperboard.....	250.8	280.6	273.2	266.3	266.6	279.0	0.9
PAPER DEMAND (INDEXED: 1977=100)			July	Aug	Sept		
Total Paper Production *.....	118.6	124.1	126.3	120.9	122.1	122.8	-1.4
Paper New Supply *.....	123.3	127.7	130.2	125.2	126.2	128.1	.0
Demand Indicators - (Weighted Average) *.....	123.0	136.7	142.0	142.1	141.8	141.3	4.0
Production of Nondurable Goods *...(21.2%).	113.7	122.5	125.7	125.7	125.9	124.7	2.1
Disposable Income .....*.(23.9%)	116.1	124.0	126.4	126.7	126.8	126.6	2.6
Total Printing and Publishing *...(54.9%).	129.6	147.8	155.0	155.1	154.5	153.8	4.9
Trend Factor	----------	----------	----------	Not Available	----------	----------	----------
PAPERBOARD DEMAND (INDEXED: 1977=100)							
Total Paperboard Production *.....	111.3	117.4	108.7	120.3	114.9	114.6	-2.7
Production for Domestic Use	107.5	115.4	106.6	118.9	114.0	113.6	-2.6
Demand Indicators - (Weighted Average) *.....	107.9	118.3	119.6	120.3	120.1	119.8	1.5
Production of Consumer Goods *...(62.06%)	109.3	118.2	120.0	120.9	120.6	119.9	1.7
Production of Equipment *...(5.75%)	121.7	140.5	147.2	148.6	148.6	146.3	5.7
Production of Materials *...(32.19%)	102.8	114.6	113.9	114.2	114.2	114.7	.0
Trend Factor	----------	----------	----------	Not Available	----------	----------	----------
NEWSPRINT MARKETS			June	July	Aug		
Consumption by Publishers - Tons (000).....	11671	12612	1062	976	1036	12393	1.0
Newspaper Pub. and Printing Empl. Total(000)...	421.6	443.0	454.0	454.2	450.0	450.8	2.5
PRINTING AND FINE PAPER MARKETS							
MAGAZINE ADVERTISING PAGES (LNA, Inc.).....	141126	155351	12322	9468	10072	140824	-3.2
WHOLESALERS SALES AND INVENTORIES (Million $)(j)							
Total Paper & Pap. Prdcts.,ex Wallpaper..Sales	26532	31876	2782	2837	3001	34170	8.6
Inventories (End of Period).	2341	2724	2981	2932	3002	3002	15.7
FIBRE BOX DATA (Fibre Box Association)			July	Aug	Sept		
Fibre Box Shipments (Million square feet).....	252539	267549	22005	23159	22037	264407	-1.8
Container'bd Inventory at Mill & Plant(000Tons).	2437	2882	2821	2694	2535	2535	-6.2
RETAIL TRADE (Million $)			June	July	Aug		
Total Retail Sales *.....	1171915	1291835	113730	114417	117040	1213792	6.4
Nondurable Goods Stores Sales *.....	793398	841417	71666	72076	72770	764651	2.8
GENERAL ECONOMIC DATA			July	Aug	Sept		
TOTAL INDUSTRIAL PRODUCTION (INDEX 1977 = 100)*..	109.2	121.8	124.4	124.8	124.7	124.2	2.4
PRODUCER PRICES(ALL COMMODITIES)(INDX 1967=100)..	303.1	310.4	309.0	307.2	305.8	308.7	-0.6
CONSUMER PRICES (ALL ITEMS) (INDEX 1967 = 100)...	298.4	311.1	322.8	323.5	324.5	320.8	3.6
			June	July	Aug		
TOTAL CONSUMER CREDIT OUTSTANDING - (Billion $)..	387.9	461.0	497.4	503.8	513.0	513.0	15.7
GROSS NATIONAL PRODUCT - ANNUAL RATE (Billion$)..			1985 Q1	1985 Q2	1985 Q3		
G.N.P. or Expenditure - Current $.....	3304.8	3662.8	3810.6	3853.1	3909.7	3857.8	8.6
G.N.P. or Expenditure - 1972 $.....	1534.7	1639.3	1663.5	1671.6	1682.9	1672.7	3.8

lb/capita
Pap&Papbd Othr Totl Popul(mil)
.a - 589 + 18 = 607 234.2
.b - 631 + 18 = 649 234.9
.c - 627 + 18 = 645 234.9
.E - Last month estimated by API
.e - estimated by API

f - Wood Pulp Production excludes def., explo. & scrngs.
g - Adjusted for holiday shutdowns
h - Adjusted to conform with API Division data
j - Census unpublished data; standard dev. = 6-8%
N.A. - Not Available
P - Preliminary
Q - Quarter
R - Revised
RS - Revised Series
y - Full year estim. by U.S. Dept. of Com.
* - Seasonally Adjusted